



Australian Bureau of Statistics

1301.6 - Tasmanian Year Book, 1996

ARCHIVED ISSUE Released at 11:30 AM (CANBERRA TIME) 13/09/2002

Feature Article - Extension of shopping hours

The extension of Tasmania's shop trading hours was a controversial issue in the first half of the 1990s. Much of that controversy abated during 1995 after the Tasmania Parliament passed legislation to allow the extension of shop trading hours for large retail shops.

Pressure for extended trading hours came from a number of quarters. The tourism sector argued that tourism would benefit because tourists needed access to shops at hours that suited them. Large retail establishments argued that consumers should be given a wide freedom of choice. As well, there were those in the community who argued for deregulation of unnecessary and counter-productive restrictions on trade and personal freedom.

This pressure was resisted by small shop-keepers who felt that their investment was threatened. Also, some members of Parliament resisted this because they felt that it might jeopardise social stability. Some religious and sporting groups also felt that the regulations should remain unchanged as they thought that the regulations might be further extended to Sunday trading: this would interfere with traditional religious observance and attendance at sporting events.

In the first half of 1995 restrictions of the hours of retail shop trading, which had prohibited large retail stores from opening on Saturday afternoons, were lifted.

BENEFITS

The main benefit of deregulated shop trading hours would be the extra convenience for shoppers, particularly day-workers. Another personal benefit would be that tourist service industries could adjust their opening hours to suit their clients.

There are a number of groups in Tasmania who will be relatively unaffected by the extension of shop trading hours. For example, those who live or work in rural and remote areas. However, since the majority of shoppers will find life more convenient and the rest will not be inconvenienced, shoppers as a whole will benefit.

COSTS

A possible cost could be the fall in income, and inconvenience which the lifting of restrictions imposes on some small shop-keepers. Undoubtedly many small shop-keepers have positioned themselves in the retail market to capitalise on limited opening hours of large supermarkets. Many of these small shop-keepers have above-average takings on Saturdays and after normal business hours. Much of this market advantage could be lost as shoppers learn to make full use of Saturday trading.

For some small shop-keepers there is the problem that diminished takings might mean that they are forced to open longer, or to reduce employment in their establishments.

There may also be a cost to consumers to offset the benefits arising from the added convenience of extended shop trading hours. Longer hours of opening are likely to mean higher costs because of such things as penalty rates that apply to Saturday afternoon shopping. This cost could take the form of higher retail prices or poorer service, or both.

The lifting of restrictions on shop trading hours may impose another cost in the transfer of income from Tasmania to the mainland: profits of many of Tasmania's large mainland-based retailers could increase.

Furthermore, profits of some of the small locally owned shops that already open at weekends may fall because of the diversion of custom to the major retailers.

However, any analysis of the net impact of extended shop trading hours is complicated by the fact that the Tasmanian economy and Australian economies, like most economies, are reasonably dynamic. It would be difficult to measure changes in the Tasmanian economy and establish which changes were due to the extension of shop trading hours.

This page last updated 8 December 2006

© Commonwealth of Australia

All data and other material produced by the Australian Bureau of Statistics (ABS) constitutes Commonwealth copyright administered by the ABS. The ABS reserves the right to set out the terms and conditions for the use of such material. Unless otherwise noted, all material on this website – except the ABS logo, the Commonwealth Coat of Arms, and any material protected by a trade mark – is licensed under a Creative Commons Attribution 2.5 Australia licence